

## Message Text

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ACTION ARA-20

INFO OCT-01 EA-11 ISO-00 SSO-00 NSCE-00 USIE-00 INRE-00

CIAE-00 DODE-00 PM-07 INR-10 L-03 NSAE-00 NSC-10

PA-04 RSC-01 PRS-01 SPC-03 SS-20 SAM-01 IO-14 EB-11

COME-00 AID-20 TRSE-00 OPIC-12 XMB-07 FEA-02 INT-08

CIEP-02 OMB-01 AGR-20 FPC-01 SIL-01 LAB-06 DRC-01

AF-10 /208 W

----- 049435

O P 151616Z FEB 74

FM AMEMBASSY PORT OF SPAIN

TO SECSTATE WASHDC IMMEDIATE 6059

INFO AMEMBASSY BRIDGETOWN PRIORITY

AMEMBASSY CARACAS PRIORITY

AMEMBASSY GEORGETOWN PRIORITY

AMEMBASSY KINGSTON PRIORITY

AMEMBASSY LAGOS

AMEMBASSY NASSAU PRIORITY

AMEMBASSY TOKYO

C O N F I D E N T I A L PORT OF SPAIN 0403

E.O. 11652: GDS

TAGS: ENRG, PINT, PFOR, TD

SUBJECT: ENERGY: GOTT TRYING TO DIVERSIFY INVESTMENT IN OIL  
INDUSTRY

REF: POS 147; POS 006 (NOTAL); POS 1663

SUMMARY. IN HIS FOURTH RECENT ADDRESS ON THE ENERGY SITUATION  
(REFTELS), PRIME MINISTER WILLIAMS REAFFIRMED HIS DETERMINATION TO  
MAXIMIZE BENEFITS FROM TRINIDAD'S ENERGY RESERVES. HE STRESSED  
TRINIDAD'S ALIGNMENT WITH THE THIRD WORLD BY COMPLETELY IGNORING  
THE WASHINGTON ENERGY CONFERENCE AND ANNOUNCING GOTT SUPPORT FOR  
THE ALGERIAN PROPOSAL FOR A UNGA SPECIAL SESSION (SPTEL).

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EMPHASIZING TRINIDAD'S RELUCTANCE TO DEPEND UPON US INDUSTRY AND

FINANCING FOR DEVELOPMENT FOR TRINIDAD'S ENERGY RESERVES, WILLIAMS ALLUDED TO STRONG INTEREST BY OTHER COUNTRIES (ESPECIALLY JAPAN) IN INVESTING IN PETROCHEMICALS AND OTHER PETROLEUM-RELATED AREAS. INDICATIVE OF THE PM'S FEAR OF LARGE MULTINATIONAL CORPORATIONS WAS HIS ENTHUSIASTIC ANNOUNCEMENT THAT THE SMALL US-OWNED TESORO PETROLEUM COMPANY HAS OFFERED TO BUILD A 300,000 BBL/DAY REFINERY AND A PETROCHEMICAL COMPLEX IN A JOINT-VENTURE ENDEAVOR WITH THE GOTT. END SUMMARY.

1. THE THRUST OF PRIME MINISTER ERIC WILLIAMS' FEBRUARY 14 SPEECH TO THE NATION WAS TRINIDAD'S RELUCTANCE TO HAVE US INVESTMENT DOMINATE T&T ENERGY RESOURCES AND TRINIDAD'S DETERMINED

THIRD WORLD STANCE IN FOREIGN RELATIONS. ALTHOUGH THE MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS HAD SPECIFICALLY REQUESTED AND RECEIVED PRIOR TO CABINET MEETING COPIES OF SECRETARY KISSINGER'S ADDRESS AT THE OPENING OF THE WASHINGTON ENERGY CONFERENCE, WILLIAMS MADE NO REFERENCE AT ALL TO THE US INITIATIVE, HE REPEATED THE THIRD WORLD CHARGE THAT THE WORLD COMMUNITY IS FACING A CONFRONTATION BETWEEN INDUSTRIALIZED NATIONS AND OIL PRODUCING COUNTRIES, WHICH THREATENS TO EXPAND TO INCLUDE OTHER RAW MATERIALS SUCH AS BAUXITE AND WHEAT. WILLIAMS' DESCRIPTION OF CANADA AS A NATION TROUBLED BY PROBLEMS STEMMING FROM FOREIGN CONTROL OF ITS BASIC RESOURCES DOUBTLESS REFLECTS HIS DISCOMFORT AT THE DOMINANT US POSITION IN THE OIL INDUSTRY IN TRINIDAD. EVEN WHILE PRAISING TWO OIL COMPANIES (TEXACO AND TRINIDAD-TESORO) FOR HAVING INCREASED LOCAL CRUDE PRODUCTION, HE POINTEDLY NOTED THAT THE GOTT IS REVIEWING RECENT KUWAITI, NIGERIAN AND VENEZUELAN INITIATIVES IN ORDER TO DEVELOP A TRINIDADIAN PHILOSOPHY OF LOCAL PARTICIPATION IN THE OIL INDUSTRY.

2. THE PRIME MINISTER HAS OFTEN CRITICIZED THE EXPANSION AND IMPORTANCE OF MULTINATIONAL CORPORATIONS, AND HAS PROMISED THAT TRINIDAD SHALL NOT BE AT THEIR MERCY. NOW, ACCORDING TO WILLIAMS, THE WORLD PETROLEUM SITUATION IS A "WHOLE NEW BALL GAME," AND FOR EVERY COMPANY STILL LIVING IN THE PAST, THERE ARE SEVERAL WILLING TO STEP FORWARD INTO THE FUTURE OF VASTLY CHANGED GOVERNMENT-OIL COMPANY RELATIONS. AS A RESULT, WILLIAMS DEPICTED TRINIDAD AS VIRTUALLY BEING COURTED BY POTENTIAL FOREIGN

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INVESTORS, BOTH FROM THE PRIVATE SECTOR AND FROM FOREIGN GOVERNMENTS. HE ALLEGED STRONG JAPANESE INTEREST IN BUILDING A LIQUEFIED NATURAL GAS PLANT IN TRINIDAD, AND NOTED THAT IN ADDITION TO THE RECENT VISIT BY SUMITOMO (POS 284), TWO OTHER JAPANESE TRADING COMPANIES HAVE ASKED TO HOLD DISCUSSIONS WITH THE GOTT. ACCORDING TO WILLIAMS, THE JAPANESE ARE INTERESTED IN ALL PHASES OF PETROLEUM REFINING AND EXPLORATION, AND PLANS FOR THE UTILIZATION OF TRINIDAD'S NATURAL GAS RESERVES, AS WELL

AS POSSIBLE INVESTMENT IN PETROCHEMICAL, ALUMINUM, STEEL AND SHIPPING PROJECTS.

3. COMMENT: WILLIAMS' SPEECH FOLLOWED FULL CABINET MEETING HELD EACH THURSDAY AND APPEARS TO BE TIMED TO BE RESPONSE TO WASHINGTON CONFERENCE FEBRUARY 11-13 OF PETROLEUM CONSUMING NATIONS AND ALGERIAN UNGA INITIATIVE. AGAIN WILLIAMS HAS UNDERTAKEN SERIOUS INITIATIVES IN THE ENERGY FIELD INVOLVING SUBSTANTIAL US INVESTMENTS WITHOUT CONSULTING THE US, ILLUSTRAT\*NG THE EXTENT TO WHI  
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## Message Attributes

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**To:** STATE  
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